

Survey: Most Law Students Can't Afford Public Service

Thomas Adcock

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For those worried about the indebtedness of young attorneys -- and how this affects the future of government and public interest law -- fresh anxiety arrived last month with a national survey showing that two-thirds of today's law school graduates cannot afford to think about taking low-paying jobs.

Mortgage-sized tuition debts, warned the report, have dire consequences for the future of poverty law agencies and legal departments in state and federal government. The 47-page report, "From Paper Chase to Money Chase: Law School Debt Diverts Road to Public Service," was sponsored by the Partnership for Public Service, Equal Justice Works and the National Association for Law Placement.

At the heart of the report was a survey of 1,622 third-year law students at 117 campuses in 40 states and the District of Columbia. Among the findings:

- Nearly all students surveyed -- 94 percent -- borrow money for tuition.
- While 39 percent of graduate respondents showed significant interest in working for the federal government, fewer than 3 percent accepted federal job offers.
- Most government law employers -- 68 percent -- reported difficulty in recruiting young attorneys.
- Nationally, the average monthly payment to retire law school debt on a 10-year plan is \$950.
- For 83 percent of student respondents, \$6,000 a year in loan repayment assistance could mean the difference between taking a high-paying job in corporate law versus the modest salaries offered by federal government positions.

In New York, salaries at public interest law agencies can be as low as \$32,000 to start, but with many entry-level jobs beginning at about \$40,000. Staff attorney positions at city and federal agencies in New York begin at slightly higher salaries.

"These [debt] problems blunt the desire to serve that is prevalent among law school graduates, and have negative consequences for society as a whole," the report declared. "Low-income households must negotiate legal issues to satisfy their basic needs for food, housing, health care, personal safety and education. These needs go unfilled due to the limited availability of public interest lawyers."

"At the same time, the federal government's role in representing the nation in its regulation, policy development and oversight responsibilities demands the most skilled lawyers," the report added. "In the next five years, more than 50 percent of the federal [attorney] workforce may be eligible to retire."

For the past decade, bar associations in New York and across the country have been well aware of increases in the cost of attending law school, increases that have briskly outpaced inflation in any other realm. Yet only a half-dozen states currently offer loan forgiveness programs to graduates who agree to work for government or non-profit agencies. The state programs are economically modest, as is the only loan forgiveness initiative on the near horizon for New York, the "Student Loan Assistance for the Public Interest," a program adopted last summer by New York State Bar Association when the House of Delegates met in Cooperstown.

Henry M. Greenberg, a partner in the Albany, N.Y., firm Couch White who previously served 14 years in state government, was made chair of a standing state bar committee assigned to work with the Bar Foundation to put the plan into operation.

"Hopefully, we'll be up and running in 2003," Greenberg told the *Law Journal*. "Necessarily, it will be modest at first. You have to crawl before you walk."

"In the first year, I would imagine we would have approximately \$25,000 to dispense in grants in the \$2,000 to \$4,000 range," he said. "In relative terms, and given the programs that exist in a few other states, this would put us in a comparable position."

But Greenberg could not identify the source of the initial \$25,000.

"We're looking for it, but we don't have it in hand," he said. "This program is going to have to go out and raise money and have an endowment. Every segment of the profession has an interest in trying to ameliorate this [student debt] problem."

"This new and relatively artificial wall to public law service participation needs to be addressed. The problem is only getting worse."

With reference to increasing law school tuition and the boomer population of public service lawyers nearing retirement age, Greenberg added, "We're dealing with double-digit inflation as far as the eye can see, and that's pushing so many young lawyers to private practice -- a certain type of large-firm practice with salaries of \$120,000 to \$160,000. And who's going to replace these [public service lawyers]? You can lose institutional memory and expertise."

CITY BAR REPORT

A group at the Association of the Bar of the City of New York, meanwhile, has been discussing student debt for six months. Lawrence Grosberg, a New York Law School professor and chair of the city Bar's Legal Education and Admission to the Bar

Committee, said he expects to issue a draft report on loan forgiveness within three months.

"We're preparing a report to describe the depth of the problem," said Grosberg. Though he would not disclose specific ideas on implementing debt relief in order to make public law a viable option for young attorneys, he added, "It's an enormous problem."

The American Bar Association's Commission on Loan Repayment and Forgiveness is "alive and well," according to its co-chair, Frank M. Coffin, senior judge at the U.S. Court of Appeals for the First Circuit in Portland, Me. He said the commission was to meet in Phoenix on Dec. 7 to finalize its report for the ABA's general meeting next spring.

In a telephone interview, Judge Coffin provided no details of the commission's thinking, but said it would make recommendations in three broad areas: federal, state and campus.

"We're trying to liberalize the [federal] Stafford and Perkins loan programs," he said. "We're preparing a state tool-kit of various options available, based on the experience of states that already have [loan forgiveness] plans. And we're trying to inculcate a wider acceptance of plans at law schools."

Judge Coffin has personal reasons for agreeing with the alarm sounded by the "Paper Chase to Money Chase" report. "When I have a law clerk leave me to go into a big firm, that clerk starts off earning more money than I do," he said. "I don't think crisis would be overstating the case."

In view of public-spirited young attorneys forced to take high-paying jobs at private firms, would an ABA program ask those same firms to help fund loan forgiveness in the interest of government or poverty law career options?

"This is within our vision, but I doubt if we could do it this year," said Judge Coffin. "We recognize that firms are being called upon to do not just this [loan forgiveness] but many other charitable things."

Law school deans, to be sure, will soon be confronted with all these recommendations from the bar groups. Meanwhile, at least two campus officials have been outspoken on the subject of student debt and the zooming rise in tuition costs.

Kristin Booth Glen, dean of the City University of New York School of Law, likened competition for top students to the seductive practices of credit card companies.

"There's a sort of bidding war going on, with law schools offering ever-increasing financial packages -- most of it loans," said Dean Glen. "Law schools have a real obligation to be extremely specific about what kinds of debt burdens students are going to have, and to discourage borrowing whenever possible."

Joseph D. Harbaugh, dean of the Shepard Broad Law Center at Nova Southeastern University in Fort Lauderdale, Fla., is likewise concerned about his graduates' debt burdens. He tells students: "If you live like a lawyer while you're a law student, you're definitely going to live like a student when you're a lawyer." Dean Harbaugh expressed skepticism about the central thesis of "Paper Chase to Money Chase," that debt-strapped young attorneys cannot afford public law careers.

"My sense is that there are a lot of applicants for [public service] jobs," said Dean Harbaugh.

Indeed, Stephen M. Aronson, attorney recruitment coordinator at the New York City Human Resources Administration, said he has no problem finding available young lawyers. His problem, he said, is the current hiring freeze imposed on all city agencies.

"We don't have any jobs right now, but I interview people. When this freeze lifts, I want to stay in touch," said Aronson. "I just got back from a job fair in Washington where I identified about two dozen very qualified young attorneys."

There remains the question of exactly why law school tuitions have boomed during the past 10 year, a 76 percent increase among private schools, according to the report, and 140 percent for in-state residents of public schools.

"Law schools," said the executive director of a major New York public law agency who asked to remain anonymous, "are profit centers."